

Message Text

LIMITED OFFICIAL USE

PAGE 01 BUCAR 04672 231316Z

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 CAB-02 CIAE-00 COME-00
DODE-00 DOTE-00 INR-07 NSAE-00 EPG-02 FAA-00 SS-15
NSC-05 L-03 H-01 SSO-00 NSCE-00 INRE-00 TRSE-00
/055 W

-----057737 231324Z /42

O 231221Z JUN 77

FM AMEMBASSY BUCHAREST

TO SECSTATE WASHDCIMMEDIATE 4011

LIMITED OFFICIAL USE BUCHAREST 4672

E.O. 11652 N/A

TAGS: EAID, RO

SUBJECT: CIVAIR: EXTENSION OF AIR TRANSPORT AGREEMENT

REF: (A) STATE 144904; (B) STATE 140245

1. SUMMARY. IN OUR CALLS ON MFA AND TAROM TO EXPLAIN
WITHDRAWAL OF OUR MARCH 23 NOTE, ROMANIANS HAVE EXPRESSED
SURPRISE AT OUR ACTION. SUGGESTION CONVEYED BY TAROM
THAT ROMANIANS MIGHT SEEK TO PUT PAN AM'S SALES TO
FRANKFURT AND CARGO REVENUE INTO EQUITY EQUATION. DESPITE
TAROM'S PROMISES OF IMPROVED QUOTA FULFILLMENT WE BELIEVE
OUR REVISED NOTE SHOULD INCORPORATE SUGGESTIONS CONVEYED
TO STYLES IN PARIS. END SUMMARY.

2. EMBOFFS CALLED SEPARATELY UPON ZAFIU (COMMERCIAL
DIRECTOR, TAROM) AND MFA (ALEXEI, MFA LEGAL DIRECTORATE).
ROMANIAN ATTITUDE, AS EXPRESSED EARLIER TO AMBASSY
BY DEPUTY FOREIGN MINISTER GLIGA, WAS AIR OF INJURED
INNOCENSE AT WITHDRAWAL OF NOTE WITHOUT PRIOR REQUEST
FOR DISCUSSIONS. WE RESPONDED THAT PERSISTENT ROMANIAN
QUOTA SHORTFALL HAD NECESSITATED STRENGTHENING OF
PROVISIONS DESIGNED TO ENSURE RECIPROCITY AND
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BUCAR 04672 231316Z

ECONOMIC BALANCE. ROMANIANS ALSO REMINDED THAT
WE HAD RECENTLY MADE KNOWN OUR CONTINUING CONCERNS
ON ECONOMIC AND OTHER ISSUES TO GENERAL REICAN OF
CIVIL AVIATION, MFT, AND MFA.

3. ZAFIU EXCUSED ROMANIAN PERFORMANCE, CITING BRIEF
PERIOD MEMORANDUM OF UNDERSTANDING WAS IN FORCE AND

POINTING OUT THAT QUOTA ARRANGEMENTS WITH PAN AM WERE UNIQUE AMONG TAROM'S RELATIONSHIPS WITH FOREIGN AIRLINES. IT WAS NATURAL, THEREFORE, THAT LONGER PERIOD OF ADJUSTMENT WOULD BE REQUIRED. IF THERE WERE MIS-UNDERSTANDINGS ON PART OF TAROM REGARDING APPLICATION OF MEMORANDUM, THESE COULD BE WORKED OUT IN QUARTERLY DISCUSSIONS BETWEEN TWO AIRLINES, A MEASURE RECOGNIZED AS NECESSARY TO IMPLEMENT QUOTA PROVISIONS SMOOTHLY. IN ANY EVENT INSTRUCTIONS TO TAROM TICKET OFFICES WOULD BE CLARIFIED SO THAT QUOTA WOULD BE MET IN MORE ORDERLY FASHION (IT WAS ZAFIU'S CONTENTION THAT TAROM WOULD HAVE NO TROUBLE MEETING TARGET NORWITHSTANDING RECORD OVER FIRST FIVE MONTHS).

4. FOR PERIOD JANUARY 1-JUNE 15 ZAFIU GAVE FOLLOWING TALLY OF TAROM'S LOCAL CURRENCY SALES ON PAN AM:

328 BUCHAREST/NEW YORK
32 NEW YORK/BUCHAREST
360 TRANSATLANTIC CROSSINGS UNDER QUOTA
TAROM REPORTEDLY SOLD ADDITIONAL 132 TRANSATLANTIC TICKETS ON PAN AM TO DESTINATIONS IN U.S. OTHER THAN NEW YORK AND FROM POINTS OF ORIGIN OTHER THAN BUCHAREST. LASTLY, THERE WERE 286 TICKETS SOLD ON OTHER PARTS OF PAN AM ROUTES.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BUCAR 04672 231316Z

4. IN RESPONSE TO INDICATION THAT OUR REVISED NOTE WOULD BE SEEKING TRUE RECIPROCITY ZAFIU HINTED THAT TAROM MIGHT INTRODUCE QUESTION OF BALANCE OF BENEFITS REGARDING CARGO REVENUE (WHERE PAN AM HAS ENJOYED CONSIDERABLE SUCCESS UNTIL RECENTLY) AND SALES TO INTER-MEDIATE POINTS, I.E. FRANKFURT.

5. FROM OUR DISCUSSIONS HERE WE WOULD EXPECT SOME PERCEPTIBLE IMPROVEMENT IN ROMANIAN PERFORMANCE NOW THAT IT IS CLEAR THAT USG NOT PREPARED TO TOLERATE NON-COMPLIANCE WITH QUOTA. IN VIEW, HOWEVER, OF DEMONSTRATED ROMANIAN PROCLIVITY TO BACKSLIDE IN THIS AREA WE STILL THINK IT ESSENTIAL THAT AGREEMENT BE PLACED ON AS CLOSELY RECIPROCAL BASIS AS POSSIBLE. WE THEREFORE RECOMMEND THAT OUR REVISED NOTE INCLUDE THREE ELEMENTS DISCUSSED WITH STYLES IN PARIS:
(1) DESIGNATION OF PAN AM AS EXCLUSIVE AND MANDATORY SALES AGENT AND SOLE GROUND HANDLING AGENT FOR TAROM;
(2) DIVISION OF SALES QUOTA INTO MONTHLY TARGETS BASED ON 1976 MONTHLY VISA ISSUANCE FIGURES WITH PROVISION FOR QUARTERLY REVIEW OF COMPLIANCE BY AIRLINES, AND (3) LINKAGE OF CHARTER LEVEL TO

IMPLEMENTATION OF SALES QUOTA THROUGH APPROVAL
OF CHARTERS IN TEN-FLIGHT TRANCHES.
BARNES

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, AIR TRANSPORTATION, DIPLOMATIC NOTES, AVIATION AGREEMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 23-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BUCHAR04672
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770224-0840
Format: TEL
From: BUCHAREST
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770624/aaaaaves.tel
Line Count: 119
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 12f2ce77-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 144904, 77 STATE 140245
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2051586
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: EXTENSION OF AIR TRANSPORT AGREEMENT
TAGS: EAID, RO, US
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/12f2ce77-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009